



REPLY TO  
ATTENTION OF

DEPARTMENT OF THE ARMY  
US ARMY CONTRACTING SUPPORT AGENCY  
5109 LEESBURG PIKE SUITE 918  
FALLS CHURCH VA 22041-3201

JUL 15 1996



12 JUL 1996

SFAE-CSA-PPP

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: IMPAC Delinquent Payments

A recent analysis of delinquent IMPAC payments revealed the need for changes to the cardholder reconciliation method.

Most cardholders currently "dispute" items identified on their monthly statement of account they ordered but have not yet received. These disputed items are typically received within the next billing cycle, however, the disputed amount does not carry over on the following month's statement of account. Reconciliation of disputed items between the cardholder, payment office and bank is difficult. Records of payment on disputed items are difficult to track and, therefore, the dispute process has been identified as a significant contributor to the current levels of delinquent payments.

Effective immediately, cardholders are requested to wait 45 days prior to disputing non-receipt of billed items. This delayed dispute procedure will eliminate the requirement for cardholders to initiate statements of questioned items for items which are expected to be received within the next 30 days. Items which were received defective or were billed and never ordered will continue to be disputed by cardholders.

Although this procedure is expected to result in efficiencies for the cardholder, items not received and not disputed will require some means of tracking on the part of the cardholder. However, the additional time and effort needed to track ordered supplies is more



than offset by the time saved by the cardholder and payment office by not completing disputed item forms. Monitoring systems established to track ordered supplies should be non-intrusive and non-labor intensive. Please assure local program coordinators receive and implement this policy as soon as possible.

A handwritten signature in black ink, reading "T.W. Colangelo". The signature is fluid and cursive, with a long horizontal stroke extending from the end of the name.

Thomas W. Colangelo  
Acting Director